RECORD AND BRIEFS

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IN THE

Supreme Court of the United States

SCA HYGIENE PRODUCTS AKTIEBOLAG, *et al.*,

Petitioners,

v.

FIRST QUALITY BABY PRODUCTS, LLC, *et al.*,

Respondents.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

BRIEF FOR *AMICI CURIAE* JOHNSON & JOHNSON AND CORDIS CORPORATION IN SUPPORT OF RESPONDENTS

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CORPORATE DISCLOSURE STATEMENT

Johnson & Johnson: Johnson & Johnson has no parent corporations, and no entity owns 10% or more of its stock.

Cordis Corporation: Cordis Corporation is a subsidiary of Cardinal Health, Inc., which owns 10% or more of Cordis Corporation's stock.

TABLE OF CONTENTS

Page

INTEREST OF *AMICI* 1

SUMMARY OF ARGUMENT 2

ARGUMENT 6

I. Under Any Reasonable Construction, "Unenforceability" Includes Laches and is Available in "Any Action" for Patent Infringement 6

II. There is No Basis for a Presumption Against Laches or a "Clear Statement" Rule Against Its Statutory Recognition 7

A. *Petrella* does not support a presumption that favors using one section of a statute to impliedly negate another section 8

B. This Court should not conclude that the 1952 Patent Act abrogated established practice concerning laches without a clear statement that Congress intended that result 10

C. Applying a "clear statement rule" would entail applying traditional tools of statutory construction and would not require any magic words 14

D. Traditional tools of statutory construction make clear that Congress intended to codify the laches defense 16

E. The legislative history of the 1957 Copyright Act has no bearing here 20

CONCLUSION 24

TABLE OF AUTHORITIES

Page(s)

Cases

A.C. Aukerman Co. v. R.L. Chaides Constr. Co.,
960 F.2d 1020 (Fed. Cir. 1992) (en banc) 11

Allen v. McCurry,
449 U.S. 90 (1980) 19

Allied–Bruce Terminix Cos. v. Dobson,
513 U.S. 265 (1995) 7

Aro Mfg. Co. v. Convertible Top Replacement Co.,
365 U.S. 336 (1961) 6

Ball v. Gibbs,
118 F.2d 958 (8th Cir. 1941) 15

Blonder-Tongue Labs., Inc. v. Univ. of Illinois Found.,
402 U.S. 313 (1971) 19

Bobbs–Merrill Co. v. Strauss,
210 U.S. 339 (1908) 2

Bradgon v. Abbott,
524 U.S. 624 (1998) 11

Cipollone v. Liggett Grp., Inc.,
505 U.S. 504 (1992) 14

Consumer Product Safety Comm'n v. GTE Sylvania, Inc., 447 U.S. 102 (1980) 21

Duncan v. Walker, 533 U.S. 167 (2001) 19

eBay, Inc. v. MercExchange, L.L.C., 547 U.S. 388 (2006) 12

Exxon Mobil Corp. v. Allapattah Servs., Inc., 545 U.S. 546 (2005) 17

Gregory v. Ashcroft, 501 U.S. 452 (1991) 5, 15

Hastings v. Coe, 99 F.2d 129 (D.D.C. 1938) 15

Hecht Co. v. Bowles, 321 U.S. 321 (1944) 12

Henderson v. Shinseki, 562 U.S. 428 (2011) 16

Isbrandtsen Co. v. Johnson, 343 U.S. 779 (1952) 10

Jerman v. Carlisle, McNellie, Rini, Kramer & Ulrich, L.P.A., 559 U.S. 573 (2010) 11

Jones Mining Co. v. Cardiff Mining & Mill Co., 56 Utah 449 (Utah 1920) 15

McCallum v. Anderson,
147 F.2d 811 (10th Cir. 1945) 15

McQuiggin v. Perkins,
133 S. Ct. 1924 (2013) 11

Medinol Ltd. v. Cordis Corporation and Johnson & Johnson,
15 F. Supp. 3d 389 (S.D.N.Y. 2014) 1

Merck & Co., Inc. v. Reynolds,
559 U.S. 633 (2010) 11

Naddo v. Colton,
12 F.2d 531 (4th Cir. 1926) 15

New York Trust Co. v. Eisner,
256 U.S. 345 (1921) 2

Nken v. Holder,
556 U.S. 418 (2009) 10, 12

North Haven Bd. of Ed. v. Bell,
456 U.S. 512 (1982) 21

Padilla v. Kentucky,
559 U.S. 356 (2010) 16

Petrella v. Metro-Goldwyn–Mayer,
134 S. Ct. 1962 (2014) ..... *passim*

Potash Co. of Am. v. Int'l Minerals & Chem. Corp.,
213 F.2d 153 (10th Cir. 1954) 3, 4

Price v. Time, Inc.,
416 F.3d 1327 (11th Cir. 2005) 18

Scripps–Howard Radio, Inc. v. F.C.C.,
316 U.S. 4 (1942) 12

Solid Waste Agency v. United States Army Corps of Eng'rs,
531 U.S. 159 (2001) 21

Sunter v. Sunter,
190 Mass. 449 (Mass. 1906) 15

Symbol Techs., Inc. v. Lemelson Med., Educ. & Research Found., L.P.,
277 F.3d 1361 (Fed. Cir. 2002) 6

Tangeman v. Sjoblom,
106 Fla. 379 (Fla. 1932) 15

Thorpe v. William Filene's Sons Co.,
40 F.2d 269 (D. Mass. 1930) 15

Triplett v. Lowell,
297 U.S. 638 (1936) 19

United States v. Atl. Research Corp.,
551 U.S. 128 (2007) 19

United States v. Gonzalez,
520 U.S. 1 (1997) 18

United States v. New Orleans Pac. R. Co., 248 U.S. 507 (1919) 15

United States v. Wong,
575 U.S. ___, 135 S. Ct. 1625 (2015) 5, 14, 16

Webster Elec. Co. v. Splitdorf Elec. Co.,
264 U.S. 463 (1924) 15

Whitaker & Co. v. City of Carbondale,
55 F. Supp. 72 (D. Ill. 1944) 15

Wollensak v. Reiher,
115 U.S. 96 (1885) 15

Statutes and Rules

35 U.S.C. § 282 ..... *passim*

35 U.S.C. § 286 ..... *passim*

Sup. Ct. R. 37.3(a) 1

Other Authorities

H.R. Rep. No. 85–150 (1957) 21, 22

S. Rep. No. 85–1014 (1957) 21, 22–23

S. Rep. No. 1979 (1952) 18

P.J. Federico, COMMENTARY ON THE NEW PATENT ACT, 35 U.S.C. 1 (West 1954) 6, 20

M. Garcia & L. Eig, CRS Report for Congress, Immigration Consequences of Illegal Activity (Sept. 20. 2006) 16

Antonin Scalia & Bryan A. Garner, *Reading Law* 101 (2012) 17

Interest of *Amici*[1]

Johnson & Johnson and its affiliates are among the world leaders in developing and selling innovative health care products, including pharmaceuticals, biologics, medical devices and consumer health products. Cordis Corporation develops and sells innovative devices used in cardiovascular and endovascular procedures. Johnson & Johnson and Cordis own many patents protecting these innovations. As technology–based companies, they have a strong interest in a fair application of the patent system that does not reward unexcused delay in commencement of suit.[2]

Amici have a particularly strong interest in this case because they are parties in a case involving related issues, captioned *Medinol Ltd. v. Cordis Corporation and Johnson & Johnson*, 15 F. Supp. 3d 389 (S.D.N.Y. 2014). The plaintiff in that case, Medinol, has filed a petition for a writ of certiorari that is pending in this Court, which *amici* have opposed (No. 15–998). Medinol also has submitted an *amicus* brief in support of SCA here.

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[1] No party's counsel authored any part of this brief. No party, party's counsel or other person besides Johnson & Johnson and Cordis Corporation contributed money to fund the preparation or submission of this brief.

[2] Pursuant to Sup. Ct. R. 37.3(a), Respondents' written consent to this filing is submitted herewith. Petitioners consented to the filing of *amicus curiae* briefs in support of either party or neither party in a docket entry dated May 25, 2016.

This brief addresses the proper construction of the Patent Act and responds to Medinol's arguments as an *amicus* in support of SCA's position.

SUMMARY OF ARGUMENT

This case turns on construction of § 282(b) of the Patent Act, 35 U.S.C. § 282(b), which provides that "unenforceability" is available as a defense in "any action" for infringement of a patent. Under any reasonable construction, "unenforceability" in § 282 includes laches and is available in "any" patent infringement case, whether the suit seeks an injunction, damages or both.

SCA tries to extend *Petrella v. Metro-Goldwyn-Mayer*, 134 S. Ct. 1962 (2014), to this case, but *Petrella* involved a very different statute and does not address the issues presented by the Patent Act. As this Court observed in another context, the differences between the Patent Act and the Copyright Act, which *Petrella* addresses, are of such significance that "cases which relate to the one subject are not altogether controlling as to the other." *Bobbs-Merrill Co. v. Strauss*, 210 U.S. 339, 345–46 (1908).

SCA and the *amici* supporting its position cannot identify any reasonable construction of "unenforceability" in § 282 that would exclude laches or would confine "unenforceability" to a subset of "any case" involving infringement of a patent. "Upon this point a page of history is worth a volume of logic." *New York Trust Co. v. Eisner*, 256 U.S. 345, 349 (1921). Ever since 1897 the patent statute has included a time limit on recoverable damages that is

the predecessor of § 286. Laches coexisted with that provision for decades, and it was a "well–settled" rule of law, *Potash Co. of Am. v. Int'l Minerals & Chem. Corp.*, 213 F.2d 153, 154 (10th Cir. 1954), that laches was available as a defense to damages in patent cases. In the decades before the 1952 Patent Act, every Court of Appeals to consider the issue so held. The Court of Appeals in this case was correct in holding that "Congress codified a laches defense in 35 U.S.C. § 282(b)(1) that may bar legal remedies," Pet. App. 2a, and in holding that § 282 "settle[s] that laches and a time limitation on the recovery of damages can coexist in patent law." *Id.*

This brief addresses arguments raised by Medinol in its brief supporting SCA.[3] Medinol's *amicus* brief pays scant attention to the Patent Act's text, legislative history or historical background. Instead, Medinol tries to alter the framework for analysis by urging this Court to adopt a "strong presumption" against statutory recognition of laches and by arguing that this "strong presumption" should not be overcome absent a "clear statement" that Congress intended to codify laches. (Br. 5, 17). By making these arguments, Medinol tacitly concedes that SCA's position cannot prevail unless a

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[3] In 2011, Medinol brought a patent infringement action against the *amici* submitting this brief (Johnson & Johnson and Cordis), after sleeping on its rights for 13 years. Its complaint subsequently was dismissed on grounds of laches. The only relief Medinol sought in that case was damages; Medinol did not (and could not) seek injunctive relief because Johnson & Johnson and Cordis had exited the market long before Medinol sued.

heavy weight is strategically placed on SCA's side of the scale.

Medinol's argument fails for at least four reasons.

1. *Petrella* does not support, much less require, a presumption against statutory recognition of laches where Congress makes that defense available by statute. Congress undoubtedly has authority to codify laches in a statute that also has a time limit on recoverable damages, and Congress did so in the 1952 Patent Act. In contrast, the Copyright Act, which *Petrella* addresses, does not provide for a laches defense. *Petrella* requires respect for Congress' judgments, and the judgments that Congress made in § 282 of the Patent Act—codifying a laches defense and making it available in "any action" for infringement of a patent—are fully deserving of that respect.

2. Under settled canons of statutory construction, this Court should apply a "clear statement" rule in construing § 282, but that rule should weigh in the opposite direction from what Medinol desires. As Medinol notes (Br. 19), this Court requires Congress to clearly express its intent before "depart[ing] from long-settled practice and understandings." As of 1952, it was a "well-settled" rule of law that laches is "applicable in patent cases," including cases for money damages. *Potash Co. of Am. v. Int'l Minerals & Chem. Corp.*, 213 F.2d 153, 154 (10th Cir. 1954) (collecting pre-1952 cases); *see also* First Quality Br. 17–23. When Congress enacted the 1952 Patent Act, this well-settled rule had coexisted for decades with a statutory time limit

on recovery of damages that is identical in every relevant respect to the time limit imposed by § 286. The Patent Act's text and legislative history show that Congress intended to codify existing defenses to patent infringement, including laches. Nothing in the Act's text or legislative history suggests that Congress intended any departure from this established fixture of patent practice.

3. Even if this Court were to adopt a "clear statement" rule running in the direction Medinol advocates, it would not mean that Congress needed to use the word laches or any other "magic words" to make laches available as a statutory defense. *United States v. Wong*, 575 U.S. ___, 135 S. Ct. 1625, 1632 (2015); *see also Gregory v. Ashcroft*, 501 U.S. 452, 461 (1991). Applying a "clear statement" rule simply entails using "traditional tools of statutory construction"—i.e., the statute's text, legislative history and historical background—to determine whether they make plain what Congress intended. *Wong*, 135 S. Ct. at 1632.

4. Even if this Court were to adopt the "clear statement" rule that Medinol advocates, it would be readily satisfied here. Under any reasonable construction, the broad term "unenforceability" in § 282 includes laches, and "unenforceability" is a defense in "any action" for patent infringement, regardless of whether the action is for an injunction or damages or both.

ARGUMENT

I. Under Any Reasonable Construction, "Unenforceability" Includes Laches and is Available in "Any Action" for Patent Infringement

Section 282 provides a complete answer to the issue presented in this case. As First Quality has demonstrated, the text, legislative history and historical background of the 1952 Patent Act compel the conclusion that "unenforceability" in § 282 includes laches and is available as a defense in "any action" for patent infringement, including actions for money damages. This conclusion is confirmed by P.J. Federico's COMMENTARY ON THE NEW PATENT ACT, 35 U.S.C. 1 (West 1954), which is often cited, *e.g.*, *Aro Mfg. Co. v. Convertible Top Replacement Co.*, 365 U.S. 336, 342 n.8 (1961), and provides "invaluable insight into the intentions of the drafters of the Act." *Symbol Techs., Inc. v. Lemelson Med., Educ. & Research Found., L.P.*, 277 F.3d 1361, 1366 (Fed. Cir. 2002).

Instead of starting with an analysis of the Patent Act's text, legislative history and background, Medinol starts with assertions about what Congress has and has not done in other statutes. But as footnote 15 in *Petrella* recognizes, this case turns on the construction of the Patent Act. The availability of laches as a defense to damages in patent infringement cases is governed by the Patent Act—not by other statutes—and we are not aware of any

other statute that uses the term "unenforceability."[4] Other statutes therefore do not shed light on the meaning and scope of the term "unenforceability" in § 282. Interpreting that term requires a focus on the Patent Act's text, legislative history and historical background—subjects on which SCA and the *amici* supporting its position have precious little to offer.

It is telling that neither SCA nor any of its supporting *amici* can articulate a reasonable construction that would exclude laches from "unenforceability" in § 282 or limit its availability to some subset of "any action" for patent infringement. There is no such construction.

II. There is No Basis for a Presumption Against Laches or a "Clear Statement" Rule Against Its Statutory Recognition

Like SCA and the other *amici* supporting its position, Medinol cannot identify a reasonable construction of "unenforceability" in § 282 that excludes laches or makes it available in less than "any action" for patent infringement. Instead of articulating any such construction, Medinol tries to stack the deck in SCA's favor by advocating a "strong presumption" against statutory recognition of laches, which would be enforced by requiring a "clear

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[4] *See Allied–Bruce Terminix Cos. v. Dobson*, 513 U.S. 265, 273 (1995) ("We cannot look to other statutes for guidance for the parties tell us that [the Federal Arbitration Act] is the only federal statute that uses the word 'involving' to describe an interstate commerce relation.").

statement" from Congress before holding that § 282 codifies a laches defense. These arguments are misplaced, but accepting them could not alter the outcome here. Whether or not this Court adopts the "presumption" and "clear statement rule" that Medinol advocates, it is abundantly clear that "unenforceability" in § 282 includes laches and is available as a defense in "any action" for patent infringement, including actions for money damages. There is no other reasonable construction of § 282.

A. *Petrella* does not support a presumption that favors using one section of a statute to impliedly negate another section

Medinol misreads *Petrella* when it argues (Br. 4, 9) that *Petrella* creates or requires a "strong presumption" against codification of laches where Congress has adopted a statute of limitations.[5] *Petrella* addressed the "question" whether laches could bar damages under the Copyright Act. 134 S. Ct. at 1967. No party in *Petrella* suggested, or could have suggested, that the Copyright Act codifies a laches defense. Whether there should be a presumption against statutory recognition of laches simply was not an issue in *Petrella*.

Unlike the Copyright Act, the Patent Act includes a time limit on recoverable damages (§ 286)

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[5] *See, e.g.*, Medinol Br. 4 (referring to "*Petrella*'s strong presumption" against laches); *id.* at 9 ("*Petrella* embodies a strong presumption" against laches).

and a separate provision (§ 282) codifying "unenforceability," which includes laches, as a defense in "any action" involving infringement of a patent. The Patent Act's time limit on recoverable damages (§ 286) is closely similar to provisions in earlier patent statutes dating back to 1897.[6] Laches in patent cases coexisted with those provisions for decades before the 1952 Patent Act. *See* First Quality Br. 4–5, 17–23. Section 282 codifies this coexistence by making "unenforceability," including laches, a defense in "any action" for patent infringement, whether the suit is for an injunction, damages or both. There is nothing "improbable" (Medinol Br. 2) about Congress enacting both a laches defense and a time limit on recoverable damages in the Patent Act, when laches and such a time limit had coexisted in patent cases for decades before the 1952 Patent Act.

All parties agree that Congress has the power to provide for laches and a time limit on recoverable damages in the same statute. As First Quality has demonstrated, Congress did exactly that in the 1952 Patent Act. Congress' judgment in enacting § 282 is just as deserving of respect as its judgment in enacting § 286. The two sections can and should be read together. To paraphrase *Petrella*, 134 S. Ct. at 1967, "courts are not at liberty to jettison Congress' judgment" that laches and a time limit on recoverable damages should coexist in patent cases.

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[6] The dissent in the Court of Appeals correctly described the relevant provision in the 1897 Patent Act as "the predecessor to § 286 ...." Pet. App. 52a.

B. This Court should not conclude that the 1952 Patent Act abrogated established practice concerning laches without a clear statement that Congress intended that result

After incorrectly arguing that *Petrella* embodies a "strong presumption" against statutory recognition of laches, Medinol urges this Court to enforce that supposed presumption by requiring a "clear statement" before finding that Congress codified laches as a defense in patent cases.

Under settled canons of statutory construction, a "clear statement" rule is indeed applicable, but it runs in the opposite direction from what Medinol desires. SCA's theory—that the 1952 Patent Act eliminated the well–settled rule that laches is available as a defense to patent damages—cannot prevail absent a clear indication that Congress intended to abrogate decades of settled practice in patent cases.

As Medinol correctly observes, this Court "requires Congress to clearly express its intent" before "concluding that Congress intended to do something that departs from long–settled practice and understandings." (Br. 19). This is a familiar rule of statutory construction. In interpreting statutes, this Court applies a "presumption favoring the retention of long–established and familiar principles, 'except when a statutory purpose to the contrary is evident.'" *Nken v. Holder*, 556 U.S. 418, 433 (2009) (quoting *Isbrandtsen Co. v. Johnson*, 343 U.S. 779, 783 (1952)). This presumption reflects the reality that Congress "legislates against the

backdrop of existing law." *McQuiggin v. Perkins*, 133 S. Ct. 1924, 1943 n.3 (2013). This Court "normally assume[s] that, when Congress enacts statutes, it is aware of relevant judicial precedent," including the unanimous views of "every Court of Appeals" that has addressed an issue. *Merck & Co., Inc. v. Reynolds*, 559 U.S. 633, 646 (2010); *see also Jerman v. Carlisle, McNellie, Rini, Kramer & Ulrich, L.P.A.*, 559 U.S. 573, 589–90 (2010) (same); *Bradgon v. Abbott*, 524 U.S. 624, 644–45 (1998) (same).

"As a defense to a claim of patent infringement, laches was well established at the time of recodification of the patent laws in 1952." *A.C. Aukerman Co. v. R.L. Chaides Constr. Co.*, 960 F.2d 1020, 1029 (Fed. Cir. 1992) (en banc). Every Court of Appeals that considered the issue recognized laches as a defense to patent damages, and laches coexisted for decades with a patent statute that included a predecessor of § 286. *See* First Quality Br. 4–5, 17–23. Nothing in the Patent Act's text or legislative history remotely suggests that Congress intended to alter the well-settled rule recognizing laches as a defense to patent damages. To the contrary, the legislative history shows that Congress intended to codify, and indeed broaden, existing defenses. *See id.* at 30–32.

The inclusion of a time limit on recoverable damages (§ 286) does not indicate otherwise. Earlier patent statutes, dating back to 1897, included closely similar provisions, and laches coexisted with those provisions for decades before the 1952 Patent Act. If Congress had wanted to alter existing law on laches in patent cases, it would have done something more

than reenact a provision that had been part of the patent statutes since 1897.

The cases Medinol cites do not support a different conclusion. For example, in *Nken*, this Court applied the "presumption favoring the retention of long–established and familiar principles," 556 U.S. at 433, and was "loath to conclude that Congress would, 'without clearly expressing such a purpose, deprive the Court of Appeals of its customary power to stay orders under review.'" *Id.* (quoting *Scripps–Howard Radio, Inc. v. F.C.C.*, 316 U.S. 4, 11 (1942)). In *eBay, Inc. v. MercExchange, L.L.C.*, 547 U.S. 388, 391–92 (2006), this Court declined to adopt a construction that would deprive courts of their traditional equitable discretion in considering injunctive relief without a clear statement that Congress intended that result. *See also Hecht Co. v. Bowles*, 321 U.S. 321 (1944) (same). For the same reasons, this Court should be reluctant to find that Congress intended to deprive courts of their customary power to apply laches as a defense to patent damages, without a clear statement that this is what Congress intended. One would expect Congress to speak with more than ordinary clarity if it intended to overrule decades of case law recognizing laches as a defense to patent damages.

Medinol argues (Br. 20–21) that its proposed "clear statement" rule is needed to safeguard the "separation of powers" between Congress and the courts. The Copyright Act presented this concern because it has a limitations statute and no provision codifying laches, so that laches in the copyright

context was merely a judge–made doctrine with no statutory basis. As a result, applying laches in the face of the Copyright Act's statute of limitations would "jettison Congress' judgment on the timeliness of suit." *Petrella*, 134 S. Ct. at 1967. But Congress made a different judgment in the Patent Act. Under the Patent Act, laches is not merely a judge–made defense; it has the force of statute. Giving § 282 the meaning and scope it deserves in light of the Patent Act's text, legislative history and historical background effectuates Congress' intent. It does not implicate any "separation of powers" concern (Medinol Br. 20–21) or "usurp[]" Congress' authority (*id.* 24). Discretionary application of laches by "individual judges ... on a case–by–case basis" (*id.* 21) likewise presents no "separation of powers" issue because Congress gave laches a statutory basis in § 282. What would "jettison Congress' judgment" (*Petrella*, 134 S. Ct. at 1967) in the patent context would be to give § 282 a construction that is artificially narrower than the construction mandated by the Patent Act's text, legislative history and historical background.

Medinol also tries to justify its "clear statement" rule by relying on cases that address issues far afield from the issues here, e.g., cases on whether a statute has extraterritorial application (Br. 15, 18), or applies retroactively (Br. 15, 18–19), or alters the constitutional balance between the States and the Federal Government (Br. 23), or abrogates state sovereign immunity (*id.*). Applying a "clear statement rule" in those inapposite situations helps to ensure that absent clear evidence of Congress's intent, "extraordinary constitutional

powers are not invoked, or important constitutional protections eliminated, or seemingly inequitable doctrines applied." *Cipollone v. Liggett Grp., Inc.*, 505 U.S. 504, 546 (1992) (Scalia, J., concurring in the judgment and dissenting in part). Recognizing that § 282 codifies a laches defense does not present any similar considerations.

C. Applying a "clear statement rule" would entail applying traditional tools of statutory construction and would not require any magic words

Medinol also misapprehends how a "clear statement" rule would be applied. Applying a "clear statement rule" does not suspend traditional canons of statutory construction or eliminate traditional sources for ascertaining Congress' intent. It simply requires that "traditional tools of statutory construction must plainly show" that Congress intended a particular result. *United States v. Wong*, 575 U.S. ___, 135 S. Ct. 1625, 1632 (2015).

Medinol argues (Br. 4) that Congress did not clearly reveal an intent to codify laches because it did not use the word "laches" in § 282. But Congress did not need to use the word "laches" in § 282, just as it did not need to use the terms estoppel, patent misuse or unclean hands. The broad term Congress chose—"unenforceability"—is sufficiently clear and should be given its full scope. As First Quality has shown (Br. 28–29 n.11), "unenforceability" and

variants of that term were well understood as referring to laches.[7]

Even if this Court were to apply the "clear statement rule" that Medinol advocates, it "would not mean" that § 282(b) or its legislative history needs to "mention [laches] explicitly." *Gregory v. Ashcroft*, 501 U.S. 452, 467 (1991) (a clear statement rule on whether the ADEA applies to state judges "does not mean that the Act must mention [state] judges explicitly ...."). It would "not mean that

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[7] *See Wollensak v. Reiher*, 115 U.S. 96, 99 (1885) (laches disables a party from "*enforcing*" a right that been left unasserted); *Webster Elec. Co. v. Splitdorf Elec. Co.*, 264 U.S. 463, 467 (1924) (same); *United States v. New Orleans Pac. R. Co.*, 248 U.S. 507, 511 (1919) (addressing whether a trust agreement was "*unenforceable* by reason of inexcusable laches"); *McCallum v. Anderson*, 147 F.2d 811, 815 (10th Cir. 1945) ("laches operates to bar the *enforcement*" of an obligation); *Ball v. Gibbs*, 118 F.2d 958, 961 (8th Cir. 1941) (a claim may be "*unenforceable*" due to laches); *Naddo v. Colton*, 12 F.2d 531, 535 (4th Cir. 1926) (laches bars a party "from *enforcing*" a claim); *Hastings v. Coe*, 99 F.2d 129, 131 (D.D.C. 1938) (same); *Thorpe v. William Filene's Sons Co.*, 40 F.2d 269, 269 (D. Mass. 1930) (laches renders claims "*unenforceable*"); *Whitaker & Co. v. City of Carbondale*, 55 F. Supp. 72, 74 (D. Ill. 1944) (a party laches bars a party "from *enforcing* [a claim]"); *Tangeman v. Sjoblom*, 106 Fla. 379, 385 (Fla. 1932) (analyzing whether a "claim had become stale and *unenforceable*"); *Jones Mining Co. v. Cardiff Mining & Mill Co.*, 56 Utah 449, 459 (Utah 1920) (laches bars claims that are "stale and *unenforceable*"); *Sunter v. Sunter*, 190 Mass. 449, 456 (Mass. 1906) (laches renders a claim "stale, and hence *unenforceable*") (all italics added).

'Congress must incant magic words.'" *Wong*, 135 S. Ct. at 1632–33 (Congress would not need to use "magic words" to "establish that a statute of limitations is jurisdictional" in the sense of "depriving a court of all authority to hear a case"); *see also Henderson v. Shinseki*, 562 U.S. 428, 437 (2011) ("Congress, of course, need not use magic words in order to speak clearly on [whether a procedural rule is jurisdictional]").

D. Traditional tools of statutory construction make clear that Congress intended to codify the laches defense

As First Quality has demonstrated, the Patent Act's text, legislative history and historical background compel the conclusion that § 282 codified existing law recognizing laches as a defense to patent damages. The broad and inclusive term "unenforceability" in § 282 refers to the category of equitable defenses recognized in patent cases. Laches was one of those defenses. Statutes often use broad terms, and Congress is not obligated to itemize everything that a broad term includes.[8]

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[8] *See, e.g., Padilla v. Kentucky*, 559 U.S. 356, 377-78 (2010) (Alito, J., dissenting) ("Most crimes affecting immigration status are not specifically mentioned by the [Immigration and Nationality Act], but instead fall under a broad category of crimes, such as *crimes involving moral turpitude* or *aggravated felonies*.") (quoting M. Garcia & L. Eig, CRS Report for Congress, Immigration Consequences of Illegal Activity (Sept. 20. 2006)) (emphasis in original).

Section 282 should not be given "a more expansive interpretation than [its] text warrants, [but] it is just as important not to adopt an artificial construction that is narrower than what the text provides." *Exxon Mobil Corp. v. Allapattah Servs., Inc.*, 545 U.S. 546, 558 (2005). "Without some indication to the contrary"—and there is no such indication in the Patent Act's text or legislative history—the broad term unenforceability, "like all words, general or not," should be "accorded [its] full and fair scope" and is "not to be arbitrarily limited." Antonin Scalia & Bryan A. Garner, *Reading Law* 101 (2012). There is no basis for adopting an artificially narrow construction of § 282. Even the two Law Professor *amici*, who otherwise support SCA's position, concede that "it may be true ... that the text of § 282(b)(1) is sufficiently 'broad' and 'inclusive' to encompass a defense of laches generally ...." (Br. 8). Moreover, § 282(b) expressly provides that "unenforceability" is a defense in "any action" for infringement of a patent. As First Quality has demonstrated (Br. 29–30), this provision makes "unenforceability" available as a defense in all patent infringement cases, regardless of whether the case is for equitable relief, damages or both.

The *amici* supporting SCA have little—and in some cases, nothing—to say about § 282's text and legislative history Moreover, SCA and all of its supporting *amici* ignore the first clause in § 282(b), which makes unenforceability a defense in "any

action" involving infringement of a patent. None of them have an answer to that provision.[9]

Medinol argues that laches is unlike other unenforceability defenses because it affects particular litigants in particular cases and "does not lead to general unenforceability of a patent." (Br. 27). But that is equally true of other defenses covered by § 282, e.g., equitable estoppel and waiver. Nothing suggests that the 1952 Patent Act was intended to eliminate these defenses. Indeed, the legislative history shows that Congress intended *not* to "materially chang[e]" existing law on defenses to patent infringement. S. Rep. No. 1979 to H.R. 7794, at 9, H. Rep. No. 1923 to H.R. 7794, at 10. If Congress had wanted to limit "unenforceability" to defenses that render a patent unenforceable in all cases against all parties then it would have been easy enough to say so. There is no hint in the Patent Act's text or its legislative history that Congress had any such intent.

More basically, in 1952 there were no unenforceability defenses in a private action that "affect[ed] the general enforceability of the patent against others." (Medinol Br. 26). Under then-applicable principles of "mutuality of estoppel," a finding of unenforceability or patent invalidity in a

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[9] *See Price v. Time, Inc.*, 416 F.3d 1327, 1336 (11th Cir. 2005) ("[T]he word 'any' is a broad and powerful word, and ... it does not mean 'some' or 'all but a few,' but instead means 'all.'") (citing *United States v. Gonzalez*, 520 U.S. 1, 5 (1997)).

private action could not have any binding effect beyond the parties in a particular case and those in privity with them. *See Triplett v. Lowell*, 297 U.S. 638, 642 (1936) (rejecting the notion that "an adjudication adverse to any or all the claims of a patent precludes another suit upon the same claims against a different defendant."). "[T]he requirement of mutuality of estoppel was still alive in the federal courts until well into [the 20th] century," *Allen v. McCurry*, 449 U.S. 90, 97 (1980), and it was not eliminated until *Blonder-Tongue Labs., Inc. v. Univ. of Illinois Found.*, 402 U.S. 313 (1971). As a result, limiting "unenforceability" to defenses that "affect the general enforceability of the patent against others" (Medinol Br. 26) would violate "a cardinal principle of statutory construction," *Duncan v. Walker*, 533 U.S. 167, 174 (2001), by turning the "unenforceability" provision into a "nullity" at the time of its enactment. *United States v. Atl. Research Corp.*, 551 U.S. 128, 137 (2007).

Medinol also tries to distinguish laches from other unenforceability defenses, such as patent misuse and fraud on the Patent Office, which Medinol admits "prevent recovery of *either* equitable or legal relief." (Br. 27 (italics in original)). This is no distinction because § 282(b)'s introductory clause makes "unenforceability" available in "any action" involving infringement of a patent, including actions for legal relief, equitable relief or both. Medinol has no response to this clause and simply ignores it. As noted above, Medinol is not alone in this regard. SCA and the *amici* supporting its position all ignore the first clause in § 282(b).

Medinol relies on its avoidance of the first clause in § 282(b) when it misreads P.J. Federico's Commentary as "only refer[ring] to *a* role for laches under the Patent Act, such as in equitable actions ...." (Medinol Br. 29 (italics in original)). Nothing in Mr. Federico's Commentary remotely suggests that the availability of laches is circumscribed in that fashion. What Mr. Federico's Commentary actually says is that "unenforceability" in § 282 "include[s] equitable defenses such as laches, estoppel and unclean hands." P.J. Federico, COMMENTARY ON THE NEW PATENT ACT, 35 U.S.C. 1, 55 (West 1954). Medinol's argument that Mr. Federico's Commentary is "consistent with" laches being available only "in equitable actions, but not in damages actions" (Br. 29), ignores the Commentary's actual text and is at odds with the language of § 282, which expressly makes "unenforceability" available in "any action" involving infringement of a patent.

E. The legislative history of the 1957 Copyright Act has no bearing here

Because the text, legislative history and historical background of the 1952 Patent Act do not support SCA's position, Medinol looks elsewhere—to the legislative history of a different statute, enacted by a different Congress, to address a different area of law. Medinol's discussion of the Copyright Act's legislative history (Br. 12–13, 20, 28–29) has no bearing on any issue here.

"[S]ubsequent legislative history [of a different statute] will rarely override a reasonable interpretation of a statute that can be gleaned from its language and legislative history prior to its

enactment." *Solid Waste Agency v. United States Army Corps of Eng'rs*, 531 U.S. 159, 170 n.5 (2001) (quoting *Consumer Product Safety Comm'n v. GTE Sylvania, Inc.*, 447 U.S. 102, 118 n.13 (1980)). It would be inappropriate to "use[] the legislative history—of a different statute—to rewrite [§ 282] so as to restrict its reach." *North Haven Bd. of Ed. v. Bell*, 456 U.S. 512, 530 n.21 (1982). These axioms carry particular force here, because the Copyright Act's legislative history does not address the meaning or scope of "unenforceability" in § 282.

Medinol's discussion of the Copyright Act's legislative history is not just irrelevant—it also is incorrect. Medinol takes two passages from the legislative history of the 1957 Copyright Act, stitches them together and mischaracterizes them to draw conclusions that find no support in the Copyright Act's legislative history, much less the more relevant legislative history of the 1952 Patent Act.

Medinol starts by quoting a statement from the Copyright Act's legislative history, to the effect that "courts generally do not permit the intervention of equitable defenses where there is a limitation on the right." (Medinol Br. 12 (quoting S. Rep. No. 85–1014, at 3 (1957); H.R. Rep. No. 85–150, at 2 (1957)). This observation acknowledges that there is no uniform rule on this issue, and it pertains to courts "generally," *id.*, not patent cases in particular. As First Quality has demonstrated, factors relating to the historical development of patent law made patent cases a conspicuous exception to this general principle. In the decades following the enactment of the 1897 Patent Act (which included a precursor of

§ 286), every Circuit to consider the issue recognized laches as a defense to claims for damages in patent cases.

The other passage that Medinol cites from the Copyright Act's legislative history (Br. 13 n.5) refers to § 286's time limit on recoverable damages as "a limitation upon the substantive right rather than upon the remedy." S. Rep. 85–1014, at 3; H.R. Rep. No. 85–150, at 2. This passage does not mention "unenforceability" or laches, and it has no bearing on the issues here. Moreover, viewing § 286 as a "limitation upon the substantive right rather than upon the remedy" is contrary to the express terms of § 286.[10] On its face, § 286 bars recovery of damages for infringing acts that occurred more than six years before the action was commenced. It is not a prohibition on commencement of suit and does not bar other relief.

Taken separately or in combination, the two passages that Medinol cites from the legislative history of the 1957 Copyright Act have nothing to do with the meaning and scope of "unenforceability" in the 1952 Patent Act. Although neither passage sheds light on the intent of the different Congress that codified the laches defense in § 282 of the 1952 Patent Act, Medinol misuses these passages to offer

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[10] *See* 35 U.S.C. § 286 ("Except as otherwise provided by law, no recovery shall be had for any infringement committed more than six years prior to the filing of the complaint or counterclaim for infringement in the action.").

conclusions unrelated to their actual contents.[11] The conclusions Medinol draws from these passages are not supported by anything in the legislative history of the 1957 Copyright Act.[12] More important, those conclusions are at odds with the more relevant text,

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[11] *See, e.g.*, Medinol Br. 13 (arguing that the Congress which enacted the 1957 Copyright Act "***specifically understood itself to have adopted a statute of limitations in the Patent Act that would not permit the use of laches to bar damages actions under the Patent Act.***") (italics in original)); *id.* at 17 (arguing that "the committee reports concerning the Copyright Act ... clearly stated that [Congress] did *not* intend to permit laches to be invoked in damages actions under the Patent Act" (italics in original)); *id.* at 20 (arguing that Congress "recognized" in the Copyright Act's legislative history that § 286 of the Patent Act "precludes the use of laches in damages actions ...."). All of these assertions blatantly distort the legislative history of the 1957 Copyright Act.

[12] To the extent the Copyright Act's legislative history has any significance, it is for a passage Medinol ignores, which is more pertinent than the passages on which it relies. The Senate Report on the Copyright Act addressed "the question" of whether the statute should "specifically enumerat[e] various equitable defenses on which the statute of limitations is generally suspended," and concluded that "this was unnecessary, inasmuch as the 'Federal District courts, generally recognize these equitable defenses anyway.'" S. Rep. 85–1014, at 1963. To the extent the legislative history of the Copyright Act deserves consideration, this statement suggests that the Congress that enacted the 1957 Copyright Act viewed statutes of limitations as compatible with equitable defenses such as laches.

legislative history and historical background of the 1952 Patent Act.

CONCLUSION

This Court should affirm the Court of Appeals' holding that laches remains available as a defense to claims of damages for patent infringement.

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